(5) Next generation Pebble Bed Modular Reactors being developed by the utility industry require fuel enriched to 8 percent U 235, and the Portsmouth plant is the only facility in the U.S. that is licensed and capable of enriching uranium to that level. This will put the nation in the position of having to rely on imports for the next generation of nuclear reactors.

The September 18, 2000 DOE report entitled ''Options for Government Response to Energy Security Challenges Facing the Nuclear Fuel Cycle'' outlines a variety of scenarios where USEC would not be able to assure a reliable supply of uranium fuel.

Today's legislation authorizing DOE to maintain the Portsmouth enrichment plant on Cold Standby serves as an insurance policy for the nation's electricity supply against supply disruptions.

What exactly is entailed in Cold Standby?

Cold Standby involves placing those portions of the uranium enrichment plant needed for 3 million SWU/year production capability in a shut-down non-operational condition and performing surveillance and maintenance activities necessary to retain the ability to resume production after a set of restart activities are conducted. This involves treating the cells to remove uranium deposits, buffering the process cells with dry air to prevent wet air inleakage (which would destroy the barrier equipment), installation of buffer cell alarms to insure that proper integrity is maintained, and establishing procedures to keep equipment in a safe condition capable of being restarted. Today this takes place under the oversight of a Nuclear Regulatory Commission certificate.

I am pleased that the Secretary of Energy was able to reprogram funding in April 2001 in order to place Portsmouth on Cold Standby when the plant closed in June of 2001 and to secure the funds needed to winterize these process buildings.

Long term, I believe the best way to fund Cold Standby is to use a portion of the $1.2 billion in funds contained in the USEC Fund that are not already reserved under P.L. 105–204 for conversion of depleted uranium hexafluoride (DUF6). These funds are held in the Treasury and, during the previous administration, these funds were determined by the General Counsel of the Office of Management and Budget to be available for meeting the expenses of privatization. I urge the OMB to reexamine this as a source of funding for Cold Standby and to work with Congress to make these funds available.

Alternatively, the cost of Cold Standby can be met through the use of appropriated funds, as was accomplished in the FY 02 Energy and Water Development Appropriations Act. Either way, the nation will be purchasing insurance against the type of energy supply disruptions that could be worse than the problems witnessed in California earlier this year.

As we discussed in the Energy and Commerce Committee, this authority to fund ''cold standby'' is not intended to compete for funds from the Energy Department's environmental clean-up fund known as the Uranium Enrichment Decontamination & Decommissioning (UED&D) Fund.

While we are increasing the amount of funding from the UED&D Fund, it is important to me and my friends from Kentucky and Tennessee that the reimbursement for clean up at the thorium site does not shift funds from clean up activities at the three uranium enrichment sites. It is also important that the burden for cleaning up the thorium site does not fall on nuclear power ratepayers. I know the intent of this substitute is to address both of those issues by holding harmless the uranium enrichment sites' cleanup schedule and protecting our nuclear ratepayers from shouldering the additional cost of cleaning up the site in West Chicago, Illinois.

I support this bill.

H.R. 3166—INFRASTRUCTURE INVESTMENT IS THE BEST ECONOMIC STIMULUS

HON. JAMES L. OBERSTAR

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 3, 2002

Mr. OBERSTAR. Mr. Speaker, the so-called economic stimulus legislation presented to the House is like that old story of throwing an eight-foot rope to a person who's drowning ten feet from shore: it just doesn't get there; there isn't enough rope.

Well, there isn't enough help in this initiative the Majority has set before the House and the nation. Extension of unemployment compensation is important, but 13 weeks isn't enough. Offering the unemployed an individual tax credit to buy health insurance on the open market isn't enough: average monthly premiums for COBRA range from $220 for an individual to $580 for a family; the standard unemployment benefits don't even begin to provide workers with the financial assistance they need to carry on their existing health insurance or buy new coverage in the private health insurance marketplace. The rope is just too short.

The people in my district who are out of work—and I don't think they are much different from people elsewhere in America—would far rather be paid for working at a useful job than being paid for not working. What they want most is a full time job paying a living wage with decent benefits, such as health insurance, and others that are provided in most collective bargaining agreements in the work place. We ought to be considering legislation that will invest in the nation's infrastructure and create those living wage, productive jobs instead of this mirage of a stimulus bill.

At the depths of the Great Depression, President Franklin Delano Roosevelt established the Works Progress Administration, the Civil Conservation Corps and the National Youth Administration which together created jobs for over six million Americans, giving people real hope, lifting the nation out of depression and putting in place permanent improvements that elevated the quality of life throughout America.

In 1962, President John F. Kennedy signed into law the Accelerated Public Works Act, which invested over $1 billion in community facilities, putting over 900,000 previously unemployed persons back to work by building water and sewer lines and sewage treatment plants, municipal buildings, fire halls, police stations, street lighting systems, sidewalks, streets, roads and bridges throughout the country.

In 1976, President Ford signed the Local Public Works Act and President Carter signed LPW 2, which invested a cumulative $2 billion in similar works throughout the country, creating jobs for over 1.5 million unemployed workers.

Today, we should do no less. The Democrats on the Transportation and Infrastructure Committee have developed and introduced a bill to authorize $50 billion for infrastructure investments to enhance the security of the nation's rail, environmental, highway, transit, aviation, maritime, water resources, and public buildings infrastructure. With leveraging features included in this legislation, the ten-year cost to the U.S. treasury would be less than $32 billion.

The $50 billion of investment initiated by our proposal would create more than 1.5 million jobs and generate $90 billion of total economic activity.

Under the Democratic measure, H.R. 3166, preference would be given to infrastructure investments that provide enhanced security for the nation's transportation and environmental systems. Our bill specifically requires that the states, cities, transit authorities, airport authorities, etc., who would receive these funds, commit their investment to meeting security needs of their infrastructure systems and that the funds will be invested in ready-to-go projects to which those funds can be obligated within two years.

These investments create the private-sector jobs that build America, that provide the decent wages to buy homes, big-ticket household appliance, automobiles, and the other consumer goods that are the engines of growth for our economy, and which create permanent improvement for our cities and towns, for urban and rural America and improve the quality of life for all of our fellow citizens.

Yes, we ought to provide an extension of unemployment compensation and interim health insurance coverage for the nation's unemployed until they can get back to work; but we must create those jobs through enactment of the Rebuild America First Act to finance infrastructure renewal and security for the nation's transportation systems.

IN SUPPORT OF H.R. 3178, THE DEVELOPMENT OF ANTI—TERRORISM TOOLS FOR WATER INFRASTRUCTURE

HON. NICK SMITH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 3, 2002

Mr. SMITH of Michigan. Mr. Speaker, I rise in strong support of the bill H.R. 3178, which I am proud to co-sponsor. This important legislation will address research gaps and support the development of new and improved technologies and practices that will improve the security of our water infrastructure.

As we respond to the horrific attacks of September 11 militarily and diplomatically, we must be able to assess and reduce our vulnerabilities at home to make our nation more secure.

The safety and availability of our water supply is something that we tend to take for granted. Across the U.S., over 27 billion gallons of water are pumped each day. Some of our water infrastructure is extremely old and is subject to natural threats, accidents, and terrorists.

A major contamination of public water, either accidentally or deliberately, could cause widespread panic, disrupt the economy and lead to a loss of public confidence in water supply systems throughout the country. In 1996, the President's Commission on Critical Infrastructure Protection probed the security of the nation's critical infrastructures and determined that our water systems are highly vulnerable. In 1998, the President designated water systems as a critical infrastructure and assigned primary responsibility for this critical infrastructure.

H.R. 3178 authorizes $12 million for each of fiscal years 2002 through 2006 for the EPA to provide grants and other assistance for research, development, and demonstration of innovations to strengthen the security of water infrastructure systems. This includes processes and procedures that can be used to protect water systems and technologies for early warning systems, real-time monitoring sensors, water and wastewater treatment technologies, backup systems, and improved computer controls. Cyber security also is addressed.

It is important that we not advertise our vulnerabilities and our response to them. I am pleased, therefore, that this legislation restricts access to the information developed under this program to those who need to know.

Mr. Speaker, the critical importance of water to our nation would make H.R. 3178 necessary even without the current war on terrorism. In the wake of September 11, this legislation takes on renewed urgency, and I want to thank the Gentleman from New York and Chairman of the Science Committee, Mr. BOEHLERT, for his work in bringing this bill to the floor.

I urge my colleagues to support this important bill.

LEGISLATIVE HISTORY AND INTENT CONCERNING H.R. 3323, THE ADMINISTRATIVE SIMPLIFICATION COMPLIANCE ACT

HON. WILLIAM M. THOMAS
OF CALIFORNIA
HON. CHARLES B. RANGEL
OF NEW YORK
HON. NANCY L. JOHNSON
OF CONNECTICUT
HON. FORTNEY PETE STARK
OF CALIFORNIA
HON. DAVID L. HOBSON
OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, January 3, 2002

BACKGROUND AND NEED FOR LEGISLATION

Mr. THOMAS. Mr. Speaker, the administrative simplification provisions of the Health Insurance Portability and Accountability Act (HIPAA) of 1996 will improve administrative efficiencies in the health care market by facilitating electronic transactions between covered entities—health plans, clearing houses and health care providers. Indeed, the Department of Health and Human Services estimated that administrative simplification will save $29.9 billion over 10 years as a result of increased efficiencies.

Many covered entities believed coming into compliance with the October 16, 2002 deadline set by the regulations implementing the transactions and code set standards required by HIPAA was an insurmountable hurdle. As such, they argued that a one-year delay in implementing the standards was necessary.

The Committee was concerned, however, that a one-year delay in the implementation of these standards had the potential to result in an indefinite delay, as advocates for the status quo would present more excuses next year in asking for an additional extension, which could lead to indefinite extensions. The Committee also believes entities should undertake actions to prepare to come into compliance.

However, a number of covered entities presented legitimate reasons why they could not come into compliance by the October 2002 deadline, and the Committee determined legislative action was necessary.

H.R. 3323

The House and Senate passed legislation, H.R. 3323, the Administrative Simplification Compliance Act, to address this issue and to provide a glide path for covered entities to come into compliance.

Specifically, the legislation requires that any entity that has not come into compliance by the October 2002 deadline may receive a year extension if they submit a compliance plan with the Secretary demonstrating how they will come into compliance within the next year. The compliance plan forces entities to think deliberatively through what it will take to come into compliance and to go on record with the Secretary that they intend to come into compliance. The bill also requires the Department of Health and Human Services to issue model compliance plans, which include critical benchmarks such as establishing a compliance budget, a work plan and an implementation strategy for coming into compliance. The Secretary is not required to approve the compliance plans (as this would compel a review and decision on millions of applications), yet is required to widely disseminate reports containing effective solutions to compliance problems identified in the compliance plans.

Finally, to provide a disincentive to going back to paper claims, the bill requires covered entities to submit electronic Medicare claims to the Centers of Medicare and Medicaid Services (CMS) as a condition of payment. The Committee does not foresee this requirement as being problematic in any way since 98 percent of Part A providers and 85 percent of part B providers already submit claims electronically. In addition, the legislation has exceptions from the electronic submission requirement for cases in which no method is available for the submission of claims other than in written form and for small providers (defined as having fewer than 25 full time equivalent employees for facilities or 10 for physician practices).

In submitting the Committee's legislative intent, the authors make the following specific observations.

ADDITIONAL TIME

The Committee encourages those entities that can reasonably become compliant with the original October 16, 2002 deadline for electronic transactions and code sets to continue their efforts. It is the clear intent of the Committee that the additional twelve-month extension not delay compliance efforts already underway.

The Committee also encourages the Department to not penalize a compliant entity that must send non-compliant transactions because their trading partners have filed for the extension. This should be considered ''good cause'' for non-compliance pursuant to Sec. 1176(3) of the HIPAA law.

SUMMARY COMPLIANCE PLANS

The Committee intends that the plan submitted to the Secretary under Section 2(a)(2) of the bill will be a minimal reporting requirement. The plan will provide summary information regarding the work to be completed for the covered entity to be compliant with the transactions and code set standards by October 2003. The Committee intends that submission of a compliance plan will force covered entities to analyze and consider the exact steps needed to ensure compliance with the regulation by the compliance date, and to achieve those steps.

In preparing the plan, it is important for the covered entity to generally indicate that it has or will begin, accomplish, or is working towards completing, a particular task, in addition to the summary information relating to the task itself.

MODEL FORM AND TIMING OF SUBMISSION

If a covered entity so chooses, it may use the model form promulgated by the Department of Health and Human Services (HHS), or it may provide the information in an alternative format at any time prior to October 16, 2002. Entities do not need to wait until HHS promulgates a model form in order to file a compliance plan. The model form promulgated by HHS should be concise, and the Committee encourages the Department to immediately post the mailing and electronic submission address for extension filings on their website.

The Committee recognizes that compliance with respect to long-term care insurers and providers has been delayed by the absence of standard code sets for long-term care services. The Committee also recognizes that long-term care covered entities have been working diligently with the Secretary to correct this problem. The Committee encourages the Secretary, when issuing the model form, to provide guidance regarding the form's submission that addresses the unique situation facing long-term care insurers and providers.

REPORT AND ANALYSIS

It is the Committee's intent in enacting this legislation that the National Committee on Vital and Health Statistics (NCVHS) will perform analysis of compliance extension plans, conduct hearings, and disseminate reports to HIPAA covered entities.

The Committee realizes that clearinghouses, the vendors of software programs and computer services, and the vendors of remediation services will play a role in helping providers and plans come into compliance with the transactions and code set standards as well as the other administrative simplification standards. The Committee expects the Secretary and the NCVHS to consult with all entities listed in the statute and the vendor community or their representatives directly.

The Committee intends that information provided in compliance plans will be redacted when provided to NCVHS so as to prevent the disclosure of trade secrets, commercial or financial information that is privileged or confidential. The Committee, however, believes that a covered entity that has submitted a